

VIA: AIR  
(TYPE BY AIR OR SEA ROUTE)

DISPATCH NO. EGFA-10855

32W-124-0

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CLASSIFICATION

TO : Chief, EE

DATE: 2 July 1957

FROM : Chief of Base, Frankfurt

INFO: COS

SUBJECT: GENERAL - Operational/CADORY

SPECIFIC - [ ] - Meeting with Eugene M. Houchin

Reference: EGFA-10808

1. On 25 June 1957, at 1030 hours, we met Eugene M. Houchin in the lobby of the Koenigshof Hotel in Munich. We proceeded by foot to the nearby Cafe Mick where the meeting, which lasted about two hours, was held.

2. Houchin stated that Identity 1 will apparently engage in several types of new activities in addition to the public relations work. The members of Identity 1 believe that a semi-official organization should be established in West Germany to advise the various industries on the necessary precautions which should be taken when using nuclear energy. Identity 1 believes that a central office should be responsible for gathering information pertaining to the various safeguards available in this field and this same office should be in a position to direct and control the implementation of the safeguards in the firms using nuclear energy. Houchin stated that the Isotopen-Studien-Gesellschaft, (Isotope Study Society), which was recently established in Frankfurt to further the use of radioisotopes in West Germany would be an appropriate office to serve as a clearing house on matters pertaining to nuclear energy safeguards. Houchin is in contact with Dr. Sauerwein (DOB unknown) of Dueseldorf, an isotope specialist and a member of the Society, and he will suggest to Identity 2 that it might be beneficial for Identity 1 to establish contact with either Dr. Sauerwein or another member of the Society.

3. Another activity in which Identity 1 may become involved will be the establishment of a program in various German universities to encourage young students to become interested in the nuclear sciences and to pursue a course of study along these lines. Houchin has recently received from the Atomic Energy Commission publications outlining the training and educational programs sponsored by the Commission, and he will make these available to Identity 2 for the latter to use in further discussions with members of the Identity 1 board. Houchin will also recommend to Identity 2 that this training program might best be implemented by having a group of technicians with a model of an atomic reactor proceed from one university to another and hold extensive lectures on developments and future possibilities in the nuclear field.

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DATE 2008

4. Houchin stated that he had suggested to Identity 2 that the public relations work in which Identity 1 will engage should be roughly similar to the work being performed by the Atomic Industrial Forum of New York. This public relations activity would be conducted primarily for the benefit of German industry, and would represent the industrial point of view regarding the uses of nuclear energy. The program would not represent the point of view of the state or of the unions. Houchin has spent a great deal of time working on specific proposals along these lines which he intends to submit to Identity 2 in the near future. Houchin does not expect his relationship with Identity 1 to become greatly strengthened overnight and there is apparently still a good possibility that he will not receive any sort of a firm job offer from Identity 1. Houchin stated that neither Identity 2 nor Identity 3 had any experience in publicity work, and that Identity 2, after he received the public relations assignment, turned to Houchin for assistance. (Houchin has been cultivating Identity 2 for years, with the hope that some day Identity 1 might become interested in Houchin and willing to give financial support to his activities.) Houchin stated that it was quite possible that one of the firms belonging to Identity 1 would insist that a public relations man of their choosing be placed in charge of the Identity 1 public relations program. However, Houchin added that Identity 2 definitely had the responsibility of organizing the program and that therefore he was in a position to select the man to be in charge of it. Further, Houchin doubted that it would be politic for one firm to place their man in the job, and he believed that the new position should be headed by someone brought in from outside.

5. Houchin stated that representatives of the British government and also of British private industry were quite in evidence in the Ruhr area and were quite active in attempting to interest German firms in buying British reactors or other nuclear energy developments. Houchin believes the British are conducting a concerted, widespread advertising campaign designed to promote and sell British products using nuclear energy. Houchin believes that this campaign is far more advanced than any similar undertaking sponsored by the Americans. Houchin also believes that the campaign has been fairly effective, as American competition has not been aggressive. The British are not engaged primarily in public relations work and they have been concentrating their efforts on attempting to sell their specific product rather than attempting to interest the Germans in developing an independent nuclear energy program. Houchin stated that French efforts to influence the German nuclear energy field were directly primarily at attempting to have the Germans cooperate with the French in developing a joint atomic energy program. Houchin is of the opinion that the French do not believe that they are capable of developing an independent program, and they feel that it would be more advantageous to work with the Germans in this field rather than compete against them.

6. Houchin stated that he had been advised by both Identity 2 and Identity 3 that many physicists were of the opinion that construction on the Karlsruhe reactor should be halted, and that a new reactor, which has already been tested, should be bought. This new reactor could come from England. However, there are four German firms which are also working on the development of a reactor. These are Brown Boverie and Company of Mannheim together with Friedrich Krupp; AEG of Berlin; Babcock and Wilcox of Oberhausen, and Siemens Schuckert of Erlangen. The work of Siemens Schuckert is being performed somewhat apart from the work of the other three groups, possibly because Generaldirector Knoth of Siemens Schuckert has political plans. Houchin pointed out to Identity 2 and Identity 3 that the Atom Ministry considered the Kernreaktor Bau- und Betriebs GmbH as being also involved in developing reactors, since this firm is building the Karlsruhe reactor. Both Identity 2 and Identity 3 advised Houchin that this firm should not be considered as being seriously involved in reactor construction activity.

7. In this connection, Houchin stated that Bavarian Culture Minister August \*RUCKER (born 14 February 1900 in Munich), who is also a member of the faculty of the Munich Technical High School, recently made a trip to England where he visited Calder Hall and was quite impressed with British developments in the nuclear energy field. Rucker believes that Great Britain has surpassed the United States in this field, and he is also of the opinion that the Calder Hall installation is far more advanced than the reactor installation now being constructed near Karlsruhe. Rucker also stated that industry was taking over all ideas and plans developed and perfected by physicists and technicians. It was useless to create new positions in universities for physicists, as these posts could not be filled. Rucker characterized this problem as not being one involving only West Germany, but extending throughout Western Europe.

8. Houchin stated that he had been advised by a member of the Atomic Energy Ministry that (Minister) Siegfried Dulke, as a result of his trip to England, the United States and Canada, and as a result of the developments in the Euratom negotiations, had decided to increase from 500 megawatts to 1500 megawatts the amount of energy to be used by the Ministry in developing its reactor program. Houchin believes that this increase was made primarily for political reasons, as the 500 megawatt program would be a minimum program, and, as a result of the Euratom proposals, it is believed that a program on a wider scale should be instituted. Otherwise, West Germany would probably not be in a position to receive an appropriate amount of funds from the Euratom sponsored funding mechanism.

9. Commenting further on the rumor that the Atomic Energy Ministry will either be abolished or completely reorganized if the CDU retains control of the government after the federal elections, Houchin stated that many industrialists did not believe that their interests would be properly represented if

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the Economics Ministry took over the functions now being performed by the Atomic Energy Ministry, as in the past, when Economics Minister Ludwig Erhard was responsible for atomic energy matters, he displayed very little interest in this field. The industrialists believe that it would be far more desirable to create a new Ministry for Energy, in which the interests of both producers and consumers could be represented.

10. We reminded Houchin once again that [ ] was awaiting an "economics report." We assured Houchin that this report could be written in German, and that its preparation should not take an undue amount of his time. Houchin believed that he could write a fairly lengthy report without much effort, and stated that he would do this in the immediate future. He stated that he spent a great deal of time reading and translating, and he pointed out the difficulties involved in attempting to reproduce in German English phrases describing business complexes and functions in the United States when similar complexes and functions did not exist in Germany.

11. Most of the foregoing information has been given wider dissemination.  
EOP-2014.

12. The next meeting with Houchin is scheduled to take place in the first class restaurant of the Stuttgart railway station at 1400 hours on 8 July.

Approved [ ]

Attachment:  
Identities (Under Separate Cover)

Distribution:  
3 - EE with attachment under separate cover  
2 - OOS with attachment under separate cover

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Separate C : Attachment to EGPA-16955

Identities

- X-100-11614*  
Identity 1 - • Physikalische Studiengesellschaft Duesseldorf m.b.H. (a scientific society composed of large German industrial firms).  
Identity 2 - (Dipl. Ing) Karl • WEIDER (born about 1910).  
Identity 3 - (Dr) Kaps (born about 1910).

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